

**USACE FINANCE CENTER
BIWEEKLY REPORT
PERIOD ENDING 12 Oct 2007**

III. CEFMS:

A. We have released to production program modifications and new general ledger correlations to provide users the option to create an appropriation refund bill/collection for Corps disbursed interest penalty. Users may access this option from Menu ID 'AACHBF' option 'REFUNDS - INTEREST PENALTY (3)'. The certified collections of these bills will decrease the purchase request interest paid and return the funds as available. Users will no longer be required to collect these funds into revolving fund and process cost transfers of the interest charges to revolving fund.

B. We have provided the PWC auditors reconciliation files, transaction registers and labor subsidiary files for September 2007. The reconciliations consist of the following USACE corporate data files:

- Reconciliation of the civil labor hours detail data to the civil labor transaction registers for expense general ledgers.

- Reconciliation of the civil and military labor hours detail data to the labor transaction registers to balance revolving fund revenue general ledgers.

C. We completed the real time unfilled customer order imbalances screen which considers both posted and un-posted general ledger transactions in identifying differences between the unfilled customer order general ledger and the subsidiary records. The subsidiary and the general ledger amounts must be consistent for our financial reports to correctly report what is recorded on the CEFMS database. We also completed an email to identify and advise the customer order financial point of contact, the customer order financial approver or a supervisory accountant of an unfilled customer order imbalance and the requirement to correct it. Additionally, we programmed four reports which can be used to insure the unfilled customer order subsidiary is consistent with the unfilled order general ledger. At 30 Sep 07, the Corps had 3.8 Billion in Civil financed unfilled customer orders.

D. We converted the Treasury Offset Program (TOP) Mode to 'TEST' during the year-end closing period. We then generated and transmitted offset data that will be required to test the reversal process. This process will be used when it is determined that a vendor was offset and should not have been. The TOP Mode has been reset to 'PRODUCTION'.

E. We participated in a teleconference with CERM-F policy and budget personnel, ACE-IT personnel, and other finance and accounting personnel to determine whether the PRIP threshold should apply to acquisition of Corps owned property purchased by ACE-IT. The decision was made that the PRIP threshold would be followed and PRIP funds would be required for the acquisition of property \$250K or greater in value.

F. We released functionality to enforce the mandatory use of the automated ENG3013 Work Order Completion Report for Civil and Revolving Fund CIP/assets. We modified the purchase request line item (PRACLN) and the labor purchase request (LPRACLN) to require an approved 3013 work order for new parent asset work items created after 1 Oct 07. The place in service screens and property phase change screens will require an approved and completed 3013 work order. The completion date and useful life years on the place-in-service screen will default to the completion date and useful life years signed by the person who completes the 3013 Work Order.

G. We modified the automated ENG3013 Work Order for transferred-in assets (using asset work order type 'TI') to prompt the user with the question, "Is this a transfer of property between two Corps activities?" If the answer is yes (Y), the form will check the PROPERTY_TRANSFER table for new property id code assigned by Real Estate of the gaining activity. If the property id code is not found, the user will be prompted to establish a link between the new property id code and the old property id code assigned by the losing activity in the Property table, Screen 10.37. Once the link is established, the automated 3013 work order will pull in the book cost, depreciation, operating account balance, and transfer date transferred in from the losing activity. When the transferred in asset is placed in service, the form will pull in the PRIP indicator, the plant increment waiver indicator, and the justification for the plant increment waiver indicator from the losing activity.

H. We released the REMIS-CEFMS disposal integration for real property, effective 1 Oct 07. An approved and completed 3013 work order will now be required for both retirement and disposal transactions in CEFMS. When a retirement work order is initiated for real property, the form will retrieve data from the Real Estate Management Information Systems (REMIS). If the property is for land, the form will retrieve from REMIS the total number of acreage available for retirement and the amount of book cost capitalized in CEFMS and then compute an average cost per acre. The user will enter the number of acres to be disposed and the form will compute the amount of book cost to be retired from the Property Plant and Equipment general ledgers. When a disposal work order is completed in CEFMS, the form will call a REMIS generated procedure and insert records in the REMIS database table. After the work orders are

approved (requires ENG3013_APPROVE role) and completed (requires ENG3013_COMPLETE role), an asset manager must process the applicable accounting transactions by placing-in-service the asset or updating the property phase screen.

I. We generated text files and Excel spreadsheets for the asset universe files, Construction in Progress (CIP), land, buildings and structures, equipment, intangibles, leasehold improvements, internal use software, other assets, for period ending 30 Sep 07. We made the land, buildings and structures, equipment and intangibles universe files available to the PWC auditors. We also generated the CIP/asset summary data files for CIP, land, buildings and structures, equipment and intangibles for 4th Quarter FY07. The summary data files provide beginning balances as of 1 Jul 07, 4th Quarter FY07 additions and deletions by transaction type, and ending balances for each CIP and property, plant and equipment (PPE) general ledger by FOA code and appropriation. A second worksheet provides a detail of current year activity by transaction type for each property id code. We also reconciled transfers from CIP to property plant, equipment, and intangibles general ledgers.

J. We provided Division Resource Managers, Division Finance Officers and the HQ's USACE Policy Office a status report identifying the number of completed cost share projects that were closed during September and how many still need to be closed. We requested management attention be focused on this effort to insure the 632 completed cost share projects are closed to insure our financial statements correctly report cost share revenue.

K. We have provided scripts to reverse the generation of customer order billings processed on 3 Oct 07 for 32 USACE Activities. The reversal of these customer order bills was required to reset the unbilled amounts because the option to request the generation of the bills inadvertently did not include the current fiscal year accrual reversals. When the customer order billing program is regenerated selecting the option to include current period and process negative bills the new customer order bills will include the current fiscal year accrual reversals; thereby, negating the end of month September accruals.

L. We have provided PWC auditors the accounts receivable universe data files for FY07 4th quarter.

M. We tested a security patch to Winsig Version 2.1.F on all of the major disbursing processes.

N. We reconciled the IPAC Data that is to be included in the customer order bills that were generated the first week of October 07. This billing period includes September cost data from 22 Sep 07

to 30 Sep 07 and October cost data through 5 Oct 07. Normally we are billing for the prior period only.

O. We provided the UFC Disbursing Division with year-end assistance on various issues to include Cost Transfers, Passbacks, IPAC Billings, Disbursing Program Error Lists, Electronic Signature Problems, and EFT File Generations.

P. We corrected the Annual Leave Recovery Rate Maintenance Screen to allow queries even when there were no employees in the four-hour leave category.

Q. We corrected labor distribution so that it does not stop executing when the user's name is greater than 24 digits.

R. We established a new group email notification category where an activity can specify users that need to be notified upon completion of a manual labor distribution execution. Prior to this, only the user who executed the job would be notified.

S. We modified the edit on the property phase screen for the transfer-out of assets to ensure that the operating account balance is properly recognized and cleared before the last asset in a group is transferred out. Previously, the form only checked for the last in-service asset assigned to the plant group. If the asset being transferred out was retired, the form interpreted the asset to be the last asset in-service and would instruct the user to clear the operating account before making the transfer-out transaction. The edit was modified to recognize assets in both the in-service and retirement phase.

T. We participated in a teleconference with GAO and Real Estate personnel to discuss the REMIS-CEFMS disposal integration functionality to be released on 1 Oct 07. GAO is conducting a review of Corps owned land and requested a data call of all CEFMS retirement and disposals for the past ten years. We participated in a second teleconference with GAO auditors to discuss the retirement and disposal transactions in CEFMS and the REMIS-CEFMS disposal integration.

U. We provided the PwC auditors a detailed extract of the 3.8 billion in Civil financed unfilled customer orders at 30 Sep 07.

V. We monitored the cost share automated withdrawal program (CSAWP). The CSAWP withdraws each cost share sponsors' share of cost from their advance account and records the withdrawal amount as revenue for the Corps Financial Statements. For September 2007, the program withdrew \$33.3 million from sponsor advance accounts and \$1.2 million from sponsor Work-In-Kind (WIK) accounts for 763 sponsors at

28 USACE activities. The Cost Share Automated Withdrawal Report provides this information by USACE activity.

W. We monitored the Cost Share Completion Summary Report that provides a count of the number of cost share projects that have been completed but not closed. USACE activities closed 27 of the completed cost share projects in September 2007. This is a decrease to the 61 closed in August. Closing completed cost share projects has a significant effect on the revenues we report on our financial statements. The total number of completed but not closed cost share projects at 30 Sep 07 was 632. Continued management attention is needed to get these 632 completed cost share projects closed to insure we correctly report revenues on our financial statements. The HQ's Financial Policy Office plans to make the closing of completed cost share projects a CMR metric to facilitate close out of these completed projects.

IV. PROBLEM REPORTS/IMBALANCES:

A. Open problem report inventory:

	<u>This Report</u>	<u>Last Report</u>
Total Problems	652	649
Priority #1 Problems	99	106

We received 232 new problem reports and completed 229 problem reports.

B. Database Imbalances on our 59 Production Activities:

<u># of Imbalances</u>	<u>This Report</u>	<u>Last Report</u>
None	54	56
One	3	1
Two	0	1
Three	1	0
Five	1	0
Six	0	1